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WHEAT SITUATION

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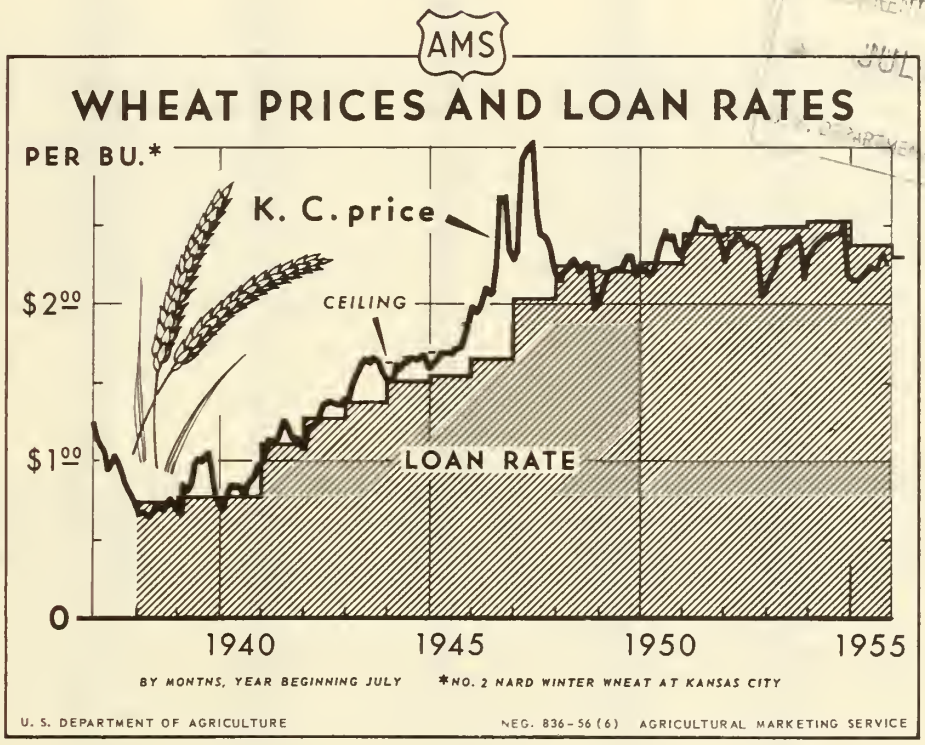

In 16 of the last 17 marketing years, the monthly average cash hard winter wheat price was lowest of the year in June, July, or August. In 11 of the last 16 years, the price averaged highest in March or later. In other years, the high occurred in December-February except in 1952 when the price averaged highest in November.

In the last four years monthly average prices did not reach the loan rate; in all other years prices generally exceeded the loan at some time during the season. Except for 1946-47 and 1947-48, when demand for wheat was exceptionally strong, prices averaged around the "effective" loan level for the season.

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL MARKETING SERVICE

Table 1.- Wheat: Supply and distribution, United States, 1909-1956

Year beginning July	Stocks July 1 1/	New crop	Total domestic supply	Total domestic disappearance	Net exports 2/	Stocks June 30 1/
	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.
1909	55	684	739	541	88	110
1910	110	625	735	540	70	125
1911	125	618	743	554	79	110
1912	110	730	840	571	144	125
1913	125	751	876	615	146	115
1914	115	897	1,012	609	336	67
1915	67	1,009	1,076	609	242	225
1916	225	635	860	596	184	80
1917	80	620	700	555	105	40
1918	40	904	944	580	279	85
1919	85	952	1,037	647	220	170
1920	170	843	1,013	573	316	124
1921	124	819	943	578	269	96
1922	96	847	943	603	208	132
1923	132	759	891	619	135	137
1924	137	842	979	613	258	108
1925	108	669	777	585	95	97
1926	97	832	929	610	210	109
1927	109	875	984	677	194	113
1928	113	914	1,027	653	147	227
1929	227	824	1,051	616	144	291
1930	291	887	1,178	750	115	313
1931	313	942	1,255	753	127	375
1932	375	756	1,131	717	36	378
1933	378	552	930	628	29	273
1934	273	526	799	654	3/-1	146
1935	146	628	774	661	3/-27	140
1936	140	630	770	689	3/-22	103
1937	4/83	874	957	701	103	153
1938	153	920	1,073	713	110	250
1939	250	741	991	662	49	280
1940	280	815	1,095	676	34	385
1941	385	942	1,327	667	29	631
1942	631	969	1,600	949	32	619
1943	619	844	1,463	1,237	3/-91	317
1944	317	1,060	1,377	992	106	279
1945	279	1,108	1,387	894	393	100
1946	100	1,152	1,252	766	402	84
1947	84	1,359	1,443	757	490	196
1948	196	1,295	1,491	678	506	307
1949	307	1,098	1,405	679	301	425
1950	425	1,019	1,444	690	358	396
1951	396	981	1,377	673	448	256
1952	256	1,299	1,555	693	300	562
1953	562	1,169	1,731	614	215	902
1954	902	985	1,887	592	273	1,022
1955 5/	1,022	938	1,960	603	327	1,030
1956 6/	1,030	923	1,953			

1/ 1909-22, partly estimated to include positions as currently reported. 2/ Includes products in terms of wheat and includes shipments to U. S. territories, currently totaling about 4 million bushels. 3/ Net imports. 4/ 1909-36, some new wheat included in commercial and merchant mill stocks; beginning 1937, only old crop is shown. 5/ Preliminary. 6/ Partly estimated.

THE WHEAT SITUATION

Approved by the Outlook and Situation Board, June 25, 1956

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SUMMARY

The increase in the wheat carryover which began in the 1952-53 marketing year appears to be about ended. The carryover this July 1 is expected to be about the same or only slightly larger than a year earlier and no further increase is expected at the end of the 1956-57 marketing year.

Total supplies of wheat for the 1955-56 marketing year just ending amounted to 1,967 million bushels. About 610 million bushels were used in this country. Heavy exports in recent months brought the total for the marketing year to about 330 million bushels. This indicates that the carryover July 1 will be about 1,030 million bushels, which is only slightly above the 1,022 million a year earlier. The bulk of the carryover will be held by CCC. The first official estimate of the carryover will be released July 23.

The slight increase in carryover is more than offset by the reduction in estimated crop for this year. The total supply for 1956-57 is estimated at 1,958 million bushels, including the carryover, a crop forecast at 923 million as of June 1 and an allowance for imports of 5 million. Domestic disappearance for 1956-57 is estimated at about 615 million bushels. Assuming exports of about 320 million bushels, the carryover July 1, 1957 would total about 1,025 million, nearly the same as that expected July 1 of this year.

Supplies of hard red winter are very large and those of hard red spring wheat are abundant, and are expected to continue this way in 1956-57. With prospects of a durum crop of 33.5 million bushels, supplies of this class of wheat would be sufficient to meet domestic disappearance for the first time in several years. In 1947-51, before crops were reduced by rust, domestic use averaged 31 million bushels. Soft red winter supplies will be substantially less in 1956-57, with the carryover and the crop smaller. As a result, exports of this class of wheat will be greatly reduced. This, however, may be offset by increasing exports of ordinary or lower protein hard winter wheat.

The Secretary of Agriculture on May 15 proclaimed a national marketing quota for the 1957-crop wheat, subject to approval by growers voting in a referendum on July 20. Two-thirds of the vote in the referendum must favor marketing quotas before they may be put into effect. The national wheat acreage allotment is 55 million acres, the same as last year. The 1957 allotments in the principal wheat producing States do not differ greatly from those of last year.

Cash wheat prices at Kansas City and St. Louis have been adjusting sharply downward since mid-May, influenced by crop prospects and the movement of the crop to market. Prices at Portland are also declining seasonally but not as sharply. Prices of hard red spring wheat at Minneapolis are only slightly lower than a month earlier, reflecting the later harvesting period.

Prices of soft red winter wheat are much higher relative to the loan than a year ago, reflecting a relatively small carryover and reduced production of this class of wheat. Prices of the hard wheats are below the loan, about the same as a year ago.

With the crop likely to be only a little smaller than last year, wheat prices to farmers, which includes unredeemed loans at loan rates, for the entire 1956-57 marketing year may average about the same relative to the loan rate as those for the 1955-56 marketing year. The average price to growers for the 1955 crop averaged $1.98, 10 cents below the national average loan rate.

Minimum 1956-crop wheat price support rates for terminals were announced on May 31. These are based on the minimum national average support of $2.00 per bushel announced on April 23. If 82½ percent of parity as of the beginning of the marketing year (July 1, 1956) is more than $2.00 per bushel, the rates will be increased.

On May 31, the Secretary of Agriculture announced the national average base unit rate for wheat of $1.20 per bushel, which will be used in determining payments to wheat farmers who participate in the 1956-crop Acreage Reserve part of the Soil Bank. Farmers must first enter into agreements with their local county Agricultural Stabilization and Conservation

(ASC) Committees. The basis of payments which individual spring wheat farmers can earn for participation in the Acreage Reserve by underplanting their allotments will be determined by multiplying the normal yields of the farm, or the normal yield of the specific tract of land designated as the acreage reserve, whichever is smaller, by the applicable base unit rate, which is a county rate based on 60 percent of the preliminary county loan rate. A payment rate of $4.00 per acre has been announced for underplanting 1956 winter wheat, because of adverse weather. Payment is also provided for destruction due to natural causes, or for plowing or otherwise physically incorporating the crop into the soil, or for clipping, mowing, or cutting the crop. Regulations for the Conservation Reserve, the other part of the Soil Bank will be released later.

The preliminary estimate of world wheat exports in 1955-56 is about a billion bushels. The upward trend in economic activity resulting in increased purchasing power, together with winter damage to the European crop, contributed to the increase. This estimate is around 6 percent above the 952 million bushels exported in 1954-55, and approximately 10 percent over the 1945-54 average of 919 million bushels. Exports during 1955-56 were the second largest of record and only about 5 percent below the record 1,066 million bushels in 1951-52.

The national average support price for 1956-crop rye was announced at $1.27 per bushel for Grade No. 2 or better, or No. 3 on test weight only. This compares with $1.18 for the 1955 crop. The recently announced rate represents an increase from 70 percent of the January 15 parity price to 76 percent of parity price as of May 1.

THE DOMESTIC WHEAT SITUATION

Little Change Likely in U.S. Wheat Supplies, Or in Carryover July 1, 1957

The total wheat supply for the marketing year beginning July 1, 1956, is now estimated at 1,958 million bushels, almost the same as the 1,967 million-bushel record reached in 1955-56. The small reduction in the estimated production a little more than offsets the small increase in prospective carryover.

On the basis of April 1 stocks, estimated domestic disappearance and exports in April-June, the July 1, 1956 carryover is expected to be 1,030 million bushels. The official estimate of stocks of old-crop wheat in all positions on July 1 will be released July 23. Almost all of the carryover will again be owned by CCC or in loan stocks.

In addition to the carryover, the supply for the 1956-57 marketing year consists of a crop forecast at 923 million bushels as of June 1 and an allowance for imports of 1 million bushels of milling wheat and 4 million

bushels of feeding quality wheat. Total imports of about 6.5 million bushels are estimated for 1955-56. 1/

Domestic disappearance for 1956-57 is estimated at about 615 million bushels, slightly more than in 1955-56. Civilian and military food use (including use by Territories of the United States) is expected to be about 485 million bushels, about the same as estimated for 1955-56. Feed use may be about 75 million bushels, or somewhat more than a year earlier, and seed use about 53 million acres, which is less than last year because of the Soil Bank.

A domestic disappearance of 615 million bushels would leave about 1,345 million bushels for export during the marketing year and carryover at the end of the year. Assuming exports of about 320 million bushels, the carryover July 1, 1957, on this basis, would total about 1,025 million bushels, or slightly below the record of approximately 1,030 million bushels expected July 1, 1956. Table 1 shows wheat supply and distribution, 1909-56.

Wheat Production 2 Percent Below 1955; Winter Wheat Down; Spring, Including Durum, Up

The prospective 1956 wheat crop, based on conditions July 1, is estimated at 923 million bushels, the smallest since 1943. A crop of this size would be 2 percent less than the 1955 production of 938 million bushels and 20 percent less than the 1945-54 average of 1,147 million bushels. For all wheat the indicated yield per seeded acre is 15.4 bushels compared with 16.1 bushels last year and the 10-year average of 15.3 bushels.

The winter wheat crop is estimated at 670 million bushels. This compares with 705 million bushels in 1955 and the 1945-54 average of 873 million. The indicated yield per seeded acre is 14.8 bushels compared with 15.9 bushels last year and 15.9 bushels for the average.

The June estimate is down 11 million bushels or 2 percent from a month earlier, reflecting additional abandonment of acreage in the central Great Plains States and Montana. The reduction in acreage more than offsets the higher yields in Texas and Oklahoma, where harvesting was already under way by June 1, and in States east of the Mississippi River. Yields from early harvested wheat were above expectations, and larger total outturns were in prospect in Oklahoma and Texas. The Kansas crop suffered from high temperatures during the second and third weeks of May, but beneficial rains and moderate weather in late May prevented further deterioration.

1/ Milling wheat, which has an import duty of 21 cents per bushel, is under import quota, whereas imports of wheat "unfit for human consumption," which have an import duty of 5 percent ad valorem, have no quota restrictions.

Production of spring wheat other than durum was forecast as of June 1 at 219 million bushels, 7 million bushels above last year, but 24 million bushels below average. Excessive moisture at seeding time in North Dakota and Minnesota delayed planting and in some areas prevented growers from seeding the full intended acreage. However, with ample moisture supplies, seedings were off to a good start with the coming of warmer temperatures during May. Heavy abandonment of winter wheat in Montana, Idaho and Washington resulted in growers seeding considerably larger acreages to spring wheat than expected on March 1. The acreage was generally seeded under favorable conditions, stands were good, and the crop was off to a good start.

The durum crop in the Dakotas, Minnesota and Montana, which account for practically all of the durum produced, is estimated at 33.5 million bushels, compared with 20.6 million bushels last year and the average of nearly 31 million bushels. Growers in the Dakotas and Minnesota were able to seed their intended acreage though considerable acreage was seeded relatively late and development has been several weeks late in the main durum area. Montana growers seeded an acreage considerably larger than intended in March as a large abandoned winter wheat acreage was reseeded to durum.

Exports in 1955-56 Expected to Total About 330 Million Bushels

United States exports of wheat and flour during the marketing year ending June 30, 1956, are now expected to total about 330 million bushels, compared with 274 million bushels a year earlier.

The rate of exports after running about the same as a year earlier began to increase in April. The May total was nearly 50 million bushels, the largest quantity moved into export channels in any single month since May 1952. Exports for the first 11 months of the marketing year totaled nearly 295 million bushels which compares with 247 million in the same months a year earlier.

Wheat grain exports to Europe have been smaller than in 1954-55, largely because of reduced shipments to the United Kingdom, Yugoslavia and West Germany. This reduction was more than offset by increased exports to South America, Africa and Asia. The increases in exports to Egypt, Japan and Pakistan are especially large. Exports also increased to France, usually an exporter, because of winter damage to crop.

The most notable feature of the country's flour export trade during the 10-month period,July-April period,was the substantial increase in exports to Indo-China (Vietnam, Laos and Cambodia). Substantially increased flour exports were also reported to Venezuela, Italy and the United Kingdom.

Supplies of Hard Red Winter Large;
Durum Prospects Ample;
Soft Red Supplies Sharply Down

Analysis of prospective supplies and distribution by classes indicates continued very large supplies of hard red winter wheat and abundant supplies of hard red spring wheat. With prospects of a durum crop of 33.5 million bushels, supplies would be sufficient to meet domestic disappearance for the first time in several years. In 1947-51, before crops were reduced by 15B rust, domestic use averaged 31.0 million bushels.

Soft red winter supplies will be substantially less in 1956-57. The reduction results both from a smaller prospective carryover and smaller crop. The carryover on July 1, 1956, may be only moderately above the 1948-52 average of 20 million bushels. It was about 50 million bushels a year ago and 70 million two years ago. Present prospects are for a crop 5 to 10 percent below the 189 million bushels produced in 1955. Reduced supplies of soft red winter will greatly reduce exports of this class of wheat since any further material reduction in U. S. use or in carryover is not likely. Reduced exports of soft red winter wheat, however, may be offset by increasing exports of ordinary or lower protein hard winter wheat.

1956-Crop Support Rates
Announced for Terminals

Minimum 1956-crop wheat price support rates for terminals were announced on May 31. These are based on the minimum national average support of $2.00 per bushel announced on April 23. If 82-1/2 percent of parity as of the beginning of the marketing year (July 1, 1956) is more than $2.00 per bushel, the rates will be increased. The $2.00 rate was 83.7 percent of the March 15 parity. Wheat support rates for the 1955 crop were based on a national average support of $2.08 per bushel, which was 82-1/2 percent of the parity price for wheat at the beginning of the marketing year.

Table 2 shows specific support prices, this year and last for the most representative classes and grades of wheat produced in the different areas with storage paid at the listed terminals. Premiums are paid for protein, and discounts are made for other factors, such as garlicky wheat.

There are wide differences in the grades and classes of wheat most commonly produced and marketed in the various wheat areas of the U. S. In some areas, most wheat produced will be No. 1 grade hard wheat. In other areas, only soft wheat is produced and normally grades No. 2 or No. 3. Thus, the examples of 1956 wheat support prices shown in the table are more representative of the actual support farmers will receive than are the basic average rates.

In addition to the release of terminal rates, the Department also announced rates for 2,694 commercial and 378 noncommercial wheat-producing counties of the United States. County rates, which range from $2.27 to

$1.06 (noncommercial) per bushel depending on location, are further adjusted up or down for grade and quality to determine support prices for individual producers.

Table 2.- Wheat: Representative support prices, by classes and grades, terminal markets, 1955 and 1956

Class, grade and terminal	Support rate per bushel	
	1955	1956
	Dollars	Dollars
Hard Red Spring		
Grade No. 1 Heavy, 16 percent protein, Minneapolis	2.50	2.43
Grade No. 1 Heavy, 14 percent protein, Minneapolis	2.46	2.39
Grade No. 1 ordinary protein, Minneapolis	2.41	2.34
Soft Red Winter		
Grade No. 3 garlicky, Baltimore	2.32	2.25
Grade No. 3, Chicago	2.35	2.28
Grade No. 3 light garlicky, Chicago	2.29	2.22
Grade No. 3, Kansas City	2.35	2.28
Hard Red Winter		
Grade No. 2, Chicago	2.37	2.30
Grade No. 2, Kansas City	2.37	2.30
Grade No. 2, Galveston	2.52	2.45
Soft White		
Grade No. 1, Portland	2.28	2.21
Grade No. 1, San Francisco	2.36	2.29
Durum		
Grade No. 1, Amber, Minneapolis	2.56	2.49
Grade No. 1, Hard Amber, Minneapolis	2.66	2.59

Location differentials used in the rates announced are generally in line with those in prior years. The relationships between terminals are based principally on average differences in cash market prices, and for major producing areas the county rates reflect these terminal rates less the freight, freight tax, and handling charges needed to get the wheat to terminal markets. Port prices for wheat are usually the highest prices, and the support rates in counties farthest from ports are generally the lower rates, reflecting freight costs.

For the first time, as announced on August 1, 1955, 2/ the Department will discount undesirable varieties of wheat in the 1956 wheat price-support program. The discount is 20 cents per bushel and will apply to 24 varieties which have been designated as undesirable because of inferior milling or baking qualities. The discount will apply to specific varieties in 22 States. In addition to the usual price-support certifications, producers will be required to certify regarding undesirable varieties.

In the 12 States designated as the noncommercial wheat producing area, farm wheat allotments and marketing quotas do not apply and the support rates are lower than in the other 36 States (rates in the noncommercial area are 75 percent of the rates determined on the basis of the $2.00 per bushel national average support price). The States included in the noncommercial area are: Alabama, Arizona, Connecticut, Florida, Louisiana, Maine, Massachusetts, Mississippi, Nevada, New Hampshire, Rhode Island and Vermont.

The 1956-crop wheat will be supported as in the past through loans on farm- and warehouse-stored wheat and through the purchase of wheat delivered by producers under purchase agreements. Loans and purchase agreements will be available from harvest time through January 31, 1957. In most States, loans will mature on March 31, 1957. Loans will be available from County ASC offices and eligible lending institutions.

To get wheat price support in 1956 in commercial wheat-producing States, a producer must be in compliance with his 1956 wheat acreage allotment and be eligible to receive a wheat marketing card on all other farms in the county in which he has an interest.

Rye Support Prices: On June 8, the support price for 1956-crop rye was announced at $1.27 per bushel for Grade No. 2 or better, or No. 3 on test weight only. This compares with $1.16 per bushel for the 1956 crop announced on February 8, and $1.18 for the 1955 crop. The recently announced rate represents an increase from 70 percent of the January 15 parity price to 76 percent of parity prices as of May 1. This change was made under the provisions of the Agricultural Act of 1956.

Eligibility requirements and operating provisions for rye are substantially the same as for the 1955 crop. Support will be carried out throu through CCC farm- and warehouse-stored loans and purchase agreements. These will be available through ASC offices from time of harvest through January 31, 1957. Loans will mature on April 30, 1957. However, earlier maturity dates may be announced later for some States.

2/ A listing of undesirable varieties by classes and States in which they are designated was published in The Wheat Situation for August 19 and October 31, 1955. The list for spring sown wheat only was published in the issue for April 27, 1956.

Cash Wheat Prices Adjusting Downward Seasonally

Cash prices of hard wheat at Kansas City have been adjusting downward since mid-May, influenced by prospects for the new crop and the movement of the crop to market. The price of No. 2 Hard Winter at that market on June 22 was 22 cents below the price on May 16. The downward seasonal movement at Portland and St. Louis was 13 and 21 cents, respectively. Prices of hard red spring wheat at Minneapolis were only 5 cents lower than in mid-May, reflecting the later harvesting period. Current prices of hard red winter wheat are sufficiently below the loan so that a large proportion of the new crop of hard red winter wheat may be expected again to be put under the support programs. Prices of Soft Red Winter, No. 2, at St. Louis on June 22 was 21 cents below the loan compared with 38 cents below a year earlier. This reflects the relatively small carryover and reduced production of this class of wheat. Prices of hard wheats are below the loan about the same as a year ago.

Wheat prices on June 22, with prices a year earlier in parentheses, were as follows: No. 2 Hard Red Winter at Kansas City, $2.07 ($2.13); No. 2 Soft Red Winter at St. Louis, $2.09 ($1.99); No. 1 Soft White at Portland, $2.10 ($2.47); and No. 1 Dark Northern Spring at Minneapolis, $2.29 ($2.49).

Protein in new wheat is high, the early southern Kansas wheat testing from 16 percent to 18 percent, and much in the range of 14 percent to 16 percent in Oklahoma.

Wheat Prices in 1956-57 May Again Average Close to Effective Loan Rates

With the crop likely to be only a little smaller than last year, average wheat prices to farmers for the 1956-57 marketing year as a whole may average about the same relative to the loan as for the 1955 crop. The national average price to farmers for last year's crop, which includes unredeemed loan wheat at the loan rate, averaged $1.98 per bushel. This was approximately the effective loan rate--the announced rate of $2.08 per bushel less an average allowance of about 10 cents for storage.

Farmers placed 276 million bushels of 1955-crop wheat under the loan program. Of this, it is estimated that about 247 million bushels will be delivered to CCC. Of the 44 million placed under purchase agreements, producers have designated that they intended to deliver 32 million bushels. This would indicate total deliveries of 279 million bushels, which represents about 30 percent of the 938 million bushel production. Out of the 1954 crop, deliveries totaled 387 million bushels, or about 39 percent of production. As of May 15, producers had extended 1955-crop loans for another year on about 4 million bushels. Information on loans, deliveries, CCC stocks, etc. are shown in table 9.

Table 3.- Wheat and rye: Cash closing prices and support prices at terminal markets, specified months and days, 1955 and 1956 1/

Commodity, market and grade	Cash closing prices						1955-crop support prices		1956-crop terminal support prices 2/
	Monthly average			Daily range			Effective	Terminal	
	May 1955	April 1956	May 1956	June 21, 1955	June 14, 1956	June 21, 1956	June 21, 1956		
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
Wheat:									
Chicago:									
No. 2 Hard Red Winter	2.25	2.38	2.24	2.09	2.17	2.13	2.37	2.37	2.30
No. 2 Soft Red Winter	2.18	2.37	2.24	2.08	2.17	2.16	2.37	2.37	2.30
St. Louis:									
No. 2 Soft Red Winter	2.26	2.36	2.23	1.98-2.02	2.16-2.17	2.14-2.16	2.37	2.37	2.30
Kansas City:									
No. 2 Hard Red Winter, ordinary protein	2.48	2.32	2.23	2.10-2.12	2.11-2.12	2.08-2.10	2.37	2.37	2.30
No. 2 Hard Red Winter, 13 percent protein	2.62	2.39	2.31	2.19-2.59	2.13-2.37	2.09-2.28	2.39	2.39	2.32
No. 2 Soft Red Winter	2.40	2.30	2.20	2.01-2.08	2.09-2.10	2.08-2.10	2.37	2.37	2.30
Fort Worth:									
No. 2 Hard Red Winter	2.68	2.57	2.42	2.32-2.48	2.29-2.36	2.27-2.34	3/2.52	3/2.52	3/2.45
Minneapolis:									
No. 1 Dark Northern Spring, ordinary protein	2.52	2.37	2.32	2.47-2.51	2.29-2.32	2.27-2.30	2.41	2.41	2.34
No. 1 Dark Northern Spring, 13 percent protein	2.69	2.41	2.37	2.59-2.71	2.33-2.38	2.31-2.36	2.44	2.44	2.36
No. 1 Dark Northern Spring, 15 percent protein	2.86	2.45	2.43	2.78-2.90	2.40-2.45	2.39-2.44	2.47	2.47	2.39
No. 2 Hard Amber Durum	3.87	2.67	2.70	3.55-3.65	2.58-2.63	2.56-2.63	2.65	2.65	2.58
Portland:									
No. 1 Hard White, 12 percent protein	2.54	2.53	2.52	2.56	2.52	2.52-2.53	4/2.33	4/2.33	4/2.26
No. 1 Soft White	2.40	2.23	2.22	2.45-2.49	2.14-2.16	2.09-2.11	2.28	2.28	2.21
Toledo:									
No. 2 Soft Red Winter	2.09	2.28	2.16	1.95-1.96	2.25-2.26	2.20-2.21	---	---	---
No. 2 Soft White	2.14	2.25	2.17	2.01-2.02	2.28-2.29	2.20-2.23	---	---	---
Rye:									
Minneapolis, No. 2	1.21	1.26	1.22	1.16-1.20	1.22-1.25	1.18-1.21	1.39	1.39	1.38

1/ Cash grain closing prices are not the range of cash sales during the day but are on-track cash prices established at the close of the market. The terminal rate is a rate used in determining the effective support price for grain in terminal storage or in transit to terminal and for calculating most county price support rates. The effective support price is the established terminal support rate for grain received by rail minus the deduction for storage as of the date shown. A comparison of the above effective price support rate and the current cash closing price is an indication of whether the market price is above or below the support rate provided the location of the grain is on track at the specified terminals. The monthly average price is the simple average of the daily closing prices. 2/ Preliminary. 3/ Galveston effective and terminal support price. The cash price at Forth Worth is usually backed by paid-in freight which will carry it to Galveston. Therefore cash prices at Forth Worth may usually be compared with the effective support price at Galveston. A terminal support price is not established for Fort Worth. 4/ Applies only to the varieties Baart and Bluestem of the subclass Hard White.

Under the provisions of the Agricultural Act of 1956, the present transitional parity will be used as the base for figuring price support for the 1957 crop. On the basis of parity on May 15, this was $2.42. According to the previous legislation this parity, which for the 1956-crop wheat is 95 percent of the "old" formula, would have declined to 90 percent of that formula in 1957.

Requirements for Participation In Acreage Reserve Program

Requirements for participation in the 1956 Acreage Reserve Program under the new legislation were announced by the Secretary of Agriculture on June 8. Under the 1956 Acreage Reserve, farmers who are eligible to take part in the program may earn payments by reducing their alloted wheat acreage. Under the basic rules of eligibility, acreage designated for the Acreage Reserve must: (1) Result in the harvesting of an acreage of the basic crop less than the farm allotment, and (2) not be grazed, cut for hay, or cropped for the entire 1956 calendar year. Noxious weeds must also be controlled on this "reserved" acreage. In order to participate in the Acreage Reserve, a farmer must comply with all acreage allotments, or Soil Bank corn base, established for the farm; also, for this year he must comply with special provisions which apply to 1956. The program this year is designed to meet time limitations and the requirements of the legislation for 1956. The rates set are for the 1956 program only. Before fall seeding of wheat this year there will be an opportunity to plan and develop a more comprehensive program.

On May 31, the Secretary of Agriculture announced the national average base unit rate for wheat of $1.20 per bushel, which will be used in determining payments to wheat farmers who participate in the 1956-crop Acreage Reserve part of the Soil Bank. Farmers must first enter into agreements with their local county Agricultural Stabilization and Conservation (ASC) Committees. The basis of payments which individual spring wheat farmers can earn for participation in the Acreage Reserve by underplanting their allotments will be determined by multiplying the normal yields of the farm, or the normal yield of the specific tract of land designated in the Acreage Reserve, whichever is smaller, by the applicable base unit rate, which is a county rate based on 60 percent of the preliminary county loan rate.

A payment rate of $4.00 per acre has been announced for underplanting 1956 winter wheat, because of adverse weather. For destruction due to natural causes or for plowing or otherwise physically incorporating the crop into the soil, or for clipping, mowing, or cutting the crop, the payment will be based on the smaller of an appraised yield for the field or the normal yield for the farm, but will not be less than $5.00 per acre.

The maximum acreage of wheat which may be placed in the Acreage Reserve is the larger of half the wheat allotment or 50 acres. The minimum is the larger of 10 percent of the allotment or 5 acres. Where the allotment is less than the specified acreage minimum or maximum, the total allotment shall be considered as the minimum or the maximum.

Regulations for the Conservation Reserve Program, the other part of the Soil Bank, will be announced later. Under this part of the program, a farmer will be able to earn two types of payment--an annual payment to help compensate for income which he would have received if the "reserved" land had been in a crop, and a payment representing a percentage of the cost of establishing conservation practices on such land. The same acreage on a farm may not be included under both the Acreage Reserve and the Conservation Reserve parts of the Soil Bank.

Marketing Quota Referendum for 1957 Crop Set For July 20

The Secretary of Agriculture on May 15 proclaimed marketing quotas for the 1957 wheat crop, subject to approval by growers voting in a referendum on July 20. Growers who would be affected by the marketing quotas--those in "commercial wheat States" who will have more than 15 acres of wheat for harvest as grain in 1957--are eligible to vote in the referendum. Two-thirds of the vote in the referendum must favor marketing quotas before they can be put into effect.

If quotas are approved, producers in commercial wheat States who stay within the acreage allotted for their farms will be eligible for the full level of price support. Producers in commercial States who do not comply with their allotments will not be eligible for price support and will be subject to marketing penalties on their excess wheat, if they have more than 15 acres for harvest.

If quotas are not approved by wheat growers in the referendum, the law provides for a wheat price-support level at 50 percent of parity for producers who stay within their acreage allotments. Farmers may exceed their allotments without being subject to quota penalties, but they will not be eligible to receive any price support.

In the noncommercial States 3/ -- States having wheat allotments of 25,000 acres or less--the wheat price support will be at 75 percent of the level available in commercial States.

National Allotment Set at 55 Million Acres; State Allotments Announced

At the same time that the Secretary proclaimed the national marketing quota, he established the national acreage allotment for the 1957 crop at 55 million acres, the level specified by law under present conditions of excessive supply. Legislation provides for establishing a national wheat acreage allotment each year except in the event of a national emergency or a materially increased export demand for wheat.

3/ States are listed on page 10.

State acreage allotments for wheat were announced on May 16. These, together with those of the past 3 years, are shown in table 14. The 1957 allotments in the principal wheat producing States do not differ greatly from those established last year when the national allotment was also 55 million acres. Each wheat producer will be informed of the acreage allotment for his farm in advance of the wheat marketing quota referendum. Farm wheat allotments and marketing quotas, if approved, do not apply in the noncommercial areas.

When making the marketing quota proclamation the Secretary commented, in part, as follows: "This marks the fourth successive year that abnormally large wheat supplies have required the proclamation of marketing quotas for the next wheat crop. It is the third successive year for which the national acreage allotment has had to be set at 55 million acres, the minimum specified by law. 4/ All the wheat we are likely to need from 1957 production, determined according to the formula in the legislation, could be produced on an acreage of about 12.4 million acres. If it were not for the legal 'minimum', the national allotment could have dropped to that level. The plain fact is that, in spite of valiant attempts to channel more wheat into exports, we will still have enough wheat for the marketing year beginning July 1, 1956 to take care of all our domestic and export needs for more than 2 full years. The carryover, again, will exceed a billion bushels. Production, even though from the minimum legal allotment, is still so large that it practically equals an entire year's wheat disappearance."

4/ Acreage allotments for wheat have been in effect 9 times since 1938, as follows:

Year	Allotment	Actual seedings	Year	Allotment	Actual seedings
	Million acres	Million acres		Million acres	Million acres
1938	62.5	79.0	1950	72.8	71.3
1939	55.0	62.8	1954	62.8	62.6
1940	62.0	61.8	1955	1/55.8	2/58.3
1941	62.0	62.7	1956	55.0	3/59.8
1942	55.0	53.0			

1/ National acreage allotment of 55 million acres was proclaimed but mandatory legislation giving credit for summer fallow and granting additional acreage for durum wheat increased total effective allotment to 55.8 million acres. 2/ Beginning with 1955-crop wheat, allotments were on the basis of wheat harvested as grain, which in 1955 was 47.2 million acres. 3/ Winter wheat seedings plus spring wheat intended seedings.

Acreage allotments were proclaimed for the 1943 crop (allotment, 55.0; seedings, 56.0) and 1951 crop (allotment, 72.8; seedings 78.1), but were terminated under the emergency powers of the governing law, after winter wheat was planted. Acreage allotments for the crops of 1944-49, inclusive, and for 1952 and 1953 were dispensed with also under the emergency powers.

Marketing quotas have been in effect for five years. These are, with the percentage approval of farmers voting, as follows: 1941, 81.0 percent; 1942, 82.4 percent; 1954, 87.2 percent; 1955, 73.3 percent; and 1956, 77.3 percent.

THE WORLD WHEAT SITUATION

World Wheat Trade in 1955-56 About Billion Bushels; Second Largest of Record

Preliminary data indicate that the world wheat exports in 1955-56 will exceed a billion bushels, according to the Foreign Agricultural Service. The upward trend in economic activity, resulting in increased purchasing power, together with winter damage to the European crop contributed to the increase in exports over the previous year. The 1955-56 exports of about 1.0 billion bushels were about 6 percent above the 952 million bushels exported in 1954-55, and approximately 10 percent above the 1945-54 average of 919 million bushels. Exports during 1955-56 were the second largest of record and only about 5 percent below the record 1,066 million bushels in 1951-52. (See table 5.)

The larger world wheat exports in 1955-56 reflect increased shipments from three of the principal exporters -- the United States, Canada and Australia. Shipments declined from Argentina and some of the less important exporters.

Preliminary estimates of exports in the year beginning July 1, 1955 include, in million bushels: United States, 330; Canada, 295; Australia, 100 and Argentina, 115. Estimated exports from some of the other exporters were: France, 85 million bushels; Uruguay, 14 million; Turkey, 8 million and Sweden, 4 million.

Four-Country Supplies Available for Export And Carryover Continue at Record High

About 1,901 million bushels of wheat were estimated to be available for export and carryover from current supplies in the four principal exporting countries as of June 1, 1956. This is 2 percent over the record of a year earlier for that date. Only in Argentina, where the crop was short, were supplies smaller than a year earlier.

In addition to domestic requirements for the month of June, the United States had on hand June 1 about 1,065 million bushels available for export and carryover into the new marketing year beginning July 1. Canada had about 599 million bushels available for export during the remainder of the season and for carryover August 1, the beginning of the new marketing year in that country.

Argentina's excess over domestic requirements on June 1 was estimated at about 71 million bushels. This is available for export and for carryover into the next marketing year beginning December 1, 1956. The estimate for Australia for the same date is about 166 million bushels. Table 6 shows how these figures were derived together with comparable figures for the same date since 1942.

Crop Prospects in Many Countries Uncertain

Since the season is late in many important wheat growing countries and full information is not available on the extent of losses resulting from the very cold winter in Europe, it is not possible at this time for the Foreign Agricultural Service to furnish the customary early general summary of Northern Hemisphere wheat prospects.

Canada's total wheat acreage this season is expected to be about 700,000 acres, or 3 percent, less than in 1955, on the basis of farmers' intentions to plant, as of March 1. Rapid seeding progress has been reported recently, and only about 3 percent of the spring wheat remained to be seeded at the end of May. This was 10 percent above the percentage completed at that time, a year ago, despite the fact that seeding was one to two weeks late getting under way because of cold weather over much of the Prairie Provinces, and difficulty in working the land until well into May in certain areas because of excess moisture.

At latest report in mid-June, many other areas of Canada were too dry, and hot. Windy weather was further depleting moisture supplies over wide areas of Saskatchewan and Alberta. Rain was urgently needed over the Prairies with the exception of Manitoba and some northern districts of Saskatchewan, and in the Peace River area the crop outlook was described as very promising.

Relatively heavy damage to Canada's winter wheat crop from winter killing was reported, but this will not have a significant affect on the total wheat outturn there since winter wheat is normally only about 5 percent of the total wheat production.

Production in Mexico is reported at a new record level. Both acreage and yields are above those of 1955.

The outlook for wheat is variable in Europe, but it is doubtful that favorable conditions in some areas can offset the extensive winter damage in other countries. Losses have been reported especially heavy in France, and the harvest there will be sharply below the high level of last year.

Prospects for the wheat crop are generally favorable in Turkey, despite a late season and inadequate spring rainfalls on the important Anatolion Plain, where about 55 percent of the country's crop is grown. The acreage is believed to be about the same as in 1955. Conditions have been quite favorable in all areas except the Plain area.

The crop in India harvested in April-May appears to be about 315 million bushels. This approximates the record crop of a year ago. Acreage was reported somewhat larger than in 1955 but yields were smaller. The harvest in Pakistan is estimated to be about average and larger than the 1955 crop. Japan reports a crop about the size of the 1955 harvest of 54 million bushels.

Table 4.- Wheat, No. 2 Hard Winter: Weighted average cash price per bushel, by months, and loan rate, Kansas City, 1937-56 1/

Year beginning July	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	Loan rate at Kansas City 2/
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1937	122.5	111.8	109.5	106.0	94.2	96.5	102.7	99.6	91.5	84.6	79.7	76.7	---
1938	70.0	65.5	65.7	64.7	63.3	66.9	70.9	69.2	68.7	69.6	75.7	70.9	72
1939	66.7	64.6	85.9	82.7	85.8	98.3	101.2	99.4	102.1	105.7	94.7	76.3	77
1940	70.7	69.3	75.8	81.6	84.5	83.0	84.7	77.8	85.1	87.2	90.4	97.3	77
1941	98.3	106.6	114.1	112.2	113.4	120.1	125.6	123.1	121.0	114.6	114.9	110.9	110
1942	107.9	111.2	120.3	120.5	123.1	130.5	136.8	137.0	139.9	138.4	138.1	137.0	127
1943	140.1	139.8	145.8	152.3	156.4	162.8	164.8	163.0	165.2	164.0	163.2	155.6	137
1944	152.1	150.8	153.0	161.3	159.1	162.0	163.6	165.8	166.3	165.7	166.7	168.2	150
1945	158.3	159.8	162.1	168.3	168.9	169.2	169.2	169.1	172.0	172.1	186.1	186.1	153
1946	197.8	193.8	196.0	203.9	210.4	207.2	209.0	226.1	269.4	267.6	269.3	237.3	164
1947	228.8	231.8	264.6	295.3	299.9	301.1	303.2	250.8	245.4	244.5	240.2	229.4	202
1948	219.3	215.0	220.4	222.6	228.2	228.7	225.0	219.6	224.1	226.0	222.1	195.1	223
1949	200.4	206.0	215.2	218.8	220.2	222.1	222.3	222.4	227.2	230.6	230.0	217.0	220
1950	222.8	220.9	221.0	217.9	222.4	234.6	240.2	247.6	240.1	243.5	238.4	234.3	225
1951	230.7	233.0	238.3	245.2	254.0	254.1	251.9	249.2	249.6	249.2	244.6	230.6	244
1952	225.1	232.3	240.9	241.6	245.8	244.5	240.2	235.8	239.5	238.7	235.5	203.6	248
1953	208.6	217.5	221.7	228.8	233.7	237.5	237.9	239.3	241.7	244.7	237.0	215.3	249
1954	232.4	235.2	238.9	241.1	243.9	245.5	244.3	245.5	245.6	246.1	253.1	219.0	253
1955	216.0	215.1	215.5	219.8	220.7	225.3	224.2	221.6	228.5	233.3	224.2		237
1956													3/ 230

1/ Cash prices computed by weighting selling price by number of carlots sold, as reported in the Kansas City Grain Market Review. In this price, wheat of above as well as below 13 percent protein is included.

2/ Loan rate is for wheat of less than 13 percent. Ceiling became effective January 4, 1944 at $1.62 including 1½ cents commission, basis protein of less than 13 percent. On December 13, 1944 it was raised to $1.66, on May 30, 1945 to $1.691, on March 4, 1946 to $1.721 and on May 13, 1946 to $1.871. On June 30, 1946, ceilings expired. 3/ Preliminary.

Table 5 .- Wheat and wheat flour: World exports, by principal countries, averages 1900-53, annual 1945-55

Year beginning July	United States 1/		Canada 2/		Australia		Argentina		Eastern Europe 3/		Other		Total 2/
	Quantity	Percentage of total	Quantity	Percentage of total	Quantity	Percentage of total	Quantity	Percentage of total	Quantity	Percentage of total	Quantity	Percentage of total	
	Mil. bu.	Pct.	Mil. bu.	Pct.	Mil. bu.	Pct.	Mil. bu.	Pct.	Mil. bu.	Pct.	Mil. bu.	Pct.	Mil. bu.
Average:													
1900-09 4/	155	26.0	38	6.4	26	4.4	84	14.1	231	38.7	62	10.4	596
1910-19 4/	183	27.5	128	19.2	55	8.3	89	13.4	130	19.6	80	12.0	665
1920-29 4/	222	26.4	267	31.8	89	10.5	154	18.4	40	4.8	68	8.1	840
1930-39 4/	75	10.6	201	28.3	114	16.1	130	18.3	89	12.5	101	14.2	710
1945-53	384	42.1	279	30.6	90	9.9	72	7.9	36	3.9	51	5.6	912
1945	391	45.7	361	42.1	36	4.2	68	7.9	---	---	1	0.1	857
1946	397	52.4	232	30.6	47	6.2	60	7.9	6	0.8	16	2.1	758
1947	486	51.8	209	22.2	96	10.2	102	10.9	40	4.3	6	.6	939
1948	504	51.1	222	22.5	122	12.4	61	6.2	53	5.4	24	2.4	986
1949	299	36.2	236	28.6	114	13.8	88	10.7	54	6.6	34	4.1	825
1950	366	39.0	221	23.6	127	13.6	103	11.0	37	3.9	84	8.9	938
1951	475	44.6	347	32.6	99	9.3	30	2.8	54	5.1	61	5.6	1,066
1952	318	32.2	392	39.7	99	10.0	29	3.0	48	4.9	101	10.2	987
1953	217	24.7	288	32.7	71	8.1	110	12.5	45	5.1	148	16.8	879
1954	274	28.8	252	26.4	93	9.8	132	13.9	5/	---	5/ 201	21.1	952
1955 6/	330	32.7	295	29.2	100	9.9	115	11.4	5/	---	5/ 170	16.8	1,010

1/ Excludes the wheat equivalent of exports of flour milled in bond. Includes principal products other than flour.
2/ Includes exports of "wheat unfit for human consumption" from Canada to U. S. as follows: 1950-51, 12 mil. bu.; 1951-52, 30 mil. bu.; 1952-53, 20 mil. bu.; 1953-54, 4 mil. bu.; and 1954-55, 3 mil. bu; and 1955-56, less than 1 mil. bu. thru March. Also includes wheat exported to the U.S., a part of which was milled in bond and later exported by the U.S.
3/ Includes U.S.S.R.
4/ Calendar years.
5/ Eastern Europe combined with "other".
6/ Preliminary

Table 6.- Wheat: Supplies available for export and carryover in the United States; Canada, Argentina and Australia, June 1, 1942-56

Item	United States	Canada	Argentina	Australia	Total
	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels
Total season supplies 1/					
1941-42	1,330	795	367	209	2,701
1942-43	1,601	980	403	260	3,244
1943-44	1,599	877	458	264	3,198
1944-48 (5-year average)	1,399	543	284	175	2,401
1949-50	1,408	468	233	237	2,346
1950-51	1,456	579	228	228	2,491
1951-52	1,409	743	97	179	2,428
1952-53	1,576	919	285	212	2,992
1953-54	1,737	997	301	234	3,269
1954-55	1,892	911	343	260	3,406
1955-56	1,967	994	260	287	3,508
Domestic disappearance for 12 months					
1941-42	667	145	117	60	989
1942-43	949	170	121	69	1,309
1943-44	1,236	177	131	95	1,639
1944-48 (5-year average)	822	153	147	82	1,204
1949-50	684	131	118	72	1,005
1950-51	694	149	116	80	1,039
1951-52	678	170	87	79	1,014
1952-53	696	150	142	76	1,064
1953-54	618	140	129	76	963
1954-55	596	159	132	71	958
1955-56	607	160	136	71	974
Exports beginning of season to May 31 2/					
1941-42	25	195	42	26	288
1942-43	24	166	33	20	243
1943-44	38	292	53	42	425
1944-48 (5-year average)	343	217	43	37	640
1949-50	284	185	56	57	582
1950-51	324	179	56	61	620
1951-52	432	268	4	42	746
1952-53	300	297	19	51	667
1953-54	196	209	51	30	486
1954-55	247	210	67	55	579
1955-56	295	235	53	50	633
Balance on June 1 for export or carryover					
1942	638	455	208	123	1,424
1943	628	644	249	171	1,692
1944	325	408	274	127	1,134
1945-49 (5-year average)	234	173	94	56	557
1950	440	152	59	108	759
1951	438	251	56	87	832
1952	299	305	6	58	668
1953	580	472	124	85	1,261
1954	923	648	121	128	1,820
1955	1,049	542	144	134	1,869
1956	1,065	599	71	166	1,901

1/ Carryover stocks and production, except for United States where imports are included.
2/ Season begins July 1 for United States, August 1 for Canada, and December 1 for Argentina and Australia.

Table 7.- Wheat and wheat flour: Exports from United States, by quarters, 1936-55 1/

Year and quarter	Wheat	Flour (wheat equivalent)	Total	Year and quarter	Wheat	Flour (wheat equivalent)	Total
	1,000 bushels	1,000 bushels	1,000 bushels		1,000 bushels	1,000 bushels	1,000 bushels
1936				1946			
July-Sept.	735	1,717	2,452	July-Sept.	50,605	27,766	78,371
Oct.-Dec.	997	1,000	1,997	Oct.-Dec.	49,325	32,285	81,610
Jan.-Mar.	133	1,579	1,712	Jan.-Mar.	58,965	60,666	119,631
Apr.-June	1,303	1,803	3,106	Apr.-June	39,896	74,470	114,366
Total	3,168	6,099	9,267	Total	198,791	195,187	393,978
1937				1947			
July-Sept.	10,276	2,768	13,044	July-Sept.	87,783	51,682	139,465
Oct.-Dec.	23,137	4,520	27,657	Oct.-Dec.	78,396	35,739	114,135
Jan.-Mar.	25,674	4,154	29,828	Jan.-Mar.	73,158	42,449	115,607
Apr.-June	24,653	4,878	29,531	Apr.-June	65,351	44,234	109,585
Total	83,740	16,320	100,060	Total	304,688	174,104	478,792
1938				1948			
July-Sept.	24,227	3,829	28,056	July-Sept.	107,403	46,551	153,954
Oct.-Dec.	12,348	4,542	16,890	Oct.-Dec.	81,592	34,973	116,565
Jan.-Mar.	27,488	5,684	33,172	Jan.-Mar.	92,378	28,725	121,103
Apr.-June	20,526	8,002	28,528	Apr.-June	94,047	16,890	110,937
Total	84,589	22,057	106,646	Total	375,420	127,139	502,559
1939				1949			
July-Sept.	11,451	7,806	19,257	July-Sept.	2/83,226	11,872	95,098
Oct.-Dec.	3,750	5,263	9,013	Oct.-Dec.	64,774	9,115	73,889
Jan.-Mar.	5,743	5,113	10,856	Jan.-Mar.	56,094	9,197	65,291
Apr.-June	2,692	3,050	5,742	Apr.-June	54,627	9,565	64,192
Total	23,636	21,232	44,868	Total	258,721	39,749	298,470
1940				1950			
July-Sept.	3,811	4,124	7,935	July-Sept.	43,033	9,332	52,365
Oct.-Dec.	2,134	6,675	8,809	Oct.-Dec.	52,298	7,635	59,933
Jan.-Mar.	2,100	4,326	6,426	Jan.-Mar.	92,038	13,128	105,166
Apr.-June	2,765	7,687	10,452	Apr.-June	134,466	13,643	148,109
Total	10,810	22,812	33,622	Total	321,835	43,738	365,573
1941				1951			
July-Sept.	4,569	4,825	9,394	July-Sept.	101,439	9,844	111,283
Oct.-Dec.	3,675	2,865	6,540	Oct.-Dec.	94,706	12,362	107,068
Jan.-Mar.	3,225	3,472	6,697	Jan.-Mar.	133,549	11,157	144,706
Apr.-June	1,163	3,732	4,895	Apr.-June	102,690	8,968	111,658
Total	12,632	14,894	27,526	Total	432,384	42,331	474,715
1942				1952			
July-Sept.	1,342	3,872	5,214	July-Sept.	63,361	9,457	72,818
Oct.-Dec.	886	2,966	3,852	Oct.-Dec.	69,883	11,856	81,739
Jan.-Mar.	1,217	4,757	5,974	Jan.-Mar.	88,956	9,747	98,703
Apr.-June	3,110	8,353	11,463	Apr.-June	54,581	9,349	63,930
Total	6,555	19,948	26,503	Total	276,781	40,409	317,190
1943				1953			
July-Sept.	2,754	3,820	6,574	July-Sept.	60,685	6,667	67,352
Oct.-Dec.	4,759	6,541	11,300	Oct.-Dec.	31,315	9,473	40,788
Jan.-Mar.	2,166	9,764	11,930	Jan.-Mar.	34,933	7,999	42,932
Apr.-June	2,263	8,208	10,471	Apr.-June	55,863	9,072	64,935
Total	11,942	28,333	40,275	Total	182,796	33,211	216,007
1944				1954			
July-Sept.	8,132	7,352	15,484	July-Sept.	44,773	8,996	53,769
Oct.-Dec.	6,426	19,024	25,450	Oct.-Dec.	57,823	11,327	69,150
Jan.-Mar.	15,813	16,329	32,142	Jan.-Mar.	73,254	12,338	85,592
Apr.-June	42,997	25,832	68,829	Apr.-June	51,372	13,668	65,040
Total	73,368	68,537	141,905	Total	227,222	46,329	273,551
1945				1955 3/			
July-Sept.	59,054	35,429	94,483	July-Sept.	59,217	10,473	69,690
Oct.-Dec.	79,872	25,473	105,345	Oct.-Dec.	37,671	13,546	51,217
Jan.-Mar.	75,478	28,056	103,534	Jan.-Mar.	78,038	9,437	87,475
Apr.-June	58,609	26,403	85,012	Apr.-June			
Total	273,013	115,361	388,374	Total			

1/ Excludes flour milled from imported wheat.
2/ 6,061,000 bushels shipped to Canada for storage not included.
3/ Preliminary.

Table 8.- Wheat, 1955 crop: Quantities repaid and delivered under loans, and delivered under purchase agreements, through April 15, 1956, by States

State	Warehouse and farm loans			Purchase agreements		
	Total under loans	Repaid	Delivered	Total under purchase agreements	Elected to be delivered	Delivered
	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.
Alabama	40	40	---	---	---	---
Arizona	7	7	---	---	---	---
Arkansas	352	17	310	1	1	---
California	1,335	119	208	206	76	---
Colorado	3,695	190	2,616	1,100	840	547
Delaware	313	3	310	---	---	---
Georgia	370	26	303	2	2	1
Idaho	15,486	1,833	10,536	362	210	44
Illinois	10,010	781	6,248	492	397	41
Indiana	5,452	339	3,239	322	194	---
Iowa	1,627	12	1,493	12	10	---
Kansas	51,564	804	39,587	6,074	2,750	2,698
Kentucky	918	112	749	1	1	---
Louisiana	1	1/	---	---	---	---
Maryland	1,842	6	1,832	3	---	---
Michigan	7,220	1,504	4,520	1,385	478	98
Minnesota	2,345	320	547	884	442	8
Missouri	9,530	510	7,037	78	73	7
Montana	29,848	1,706	8,104	11,678	9,624	1,278
Nebraska	21,625	524	13,880	3,030	2,460	1,096
Nevada	2	2	---	---	---	---
New Jersey	510	5	337	10	10	9
New Mexico	287	42	191	2	---	---
New York	3,190	33	1,878	266	252	19
North Carolina	352	56	233	3	3	1
North Dakota	25,446	3,568	3,675	12,224	9,975	101
Ohio	11,319	1,105	8,688	625	83	9
Oklahoma	2,269	377	1,736	102	40	18
Oregon	14,300	109	11,578	529	512	150
Pennsylvania	1,521	16	1,326	52	30	17
South Carolina	256	15	206	2	1	1
South Dakota	8,539	613	2,117	2,595	2,149	43
Tennessee	346	43	301	4	3	3
Texas	1,472	138	835	44	18	3
Utah	474	346	50	32	9	---
Virginia	1,144	11	1,125	4	4	1
Washington	39,588	448	33,748	1,075	856	277
West Virginia	6	---	6	1	---	---
Wisconsin	32	/	---	4	4	---
Wyoming	524	52	91	103	24	2
Total U. S.	275,157	15,832	169,641	43,307	31,531	6,472

1/ Less than 500 bushels.

Commodity Stabilization Service, U.S.D.A.

Table 9.- Wheat: Loan rate, actual price to growers, supply and distribution factors, quantity pledged and delivered to CCC, stocks owned by CCC and loans outstanding, 1938-56

Year beginning July	Gross loan rate	Average actual price to growers 1/	Price above loan	Supply and distribution factors: Total domestic supply 2/	Domestic disappearance 3/	Net exports 4/	Year-end carryover	Under price support
	Dollars	Dollars	Dollars	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels
1938	0.59	0.56	-0.03	1,073	713	110	250	85.7
1939	.63	.69	.06	991	662	49	280	167.7
1940	.64	.67	.03	1,094	675	34	385	278.4
1941	.98	.94	-.04	1,327	667	29	631	366.3
1942	1.14	1.09	-.05	1,600	949	32	619	408.1
1943	1.23	1.35	.12	1,463	1,237	5/-91	317	130.2
1944	1.35	1.41	.06	1,377	992	106	279	180.4
1945	1.38	1.49	.11	1,387	894	393	100	59.7
1946	1.49	1.90	.41	1,252	766	402	84	22.0
1947	1.84	2.29	.45	1,443	757	490	196	31.2
1948	2.00	1.98	-.02	1,491	678	506	307	6/366.0
1949	1.95	1.88	-.07	1,406	680	301	425	7/380.8
1950	1.99	2.00	.01	1,444	690	358	396	8/196.9
1951	2.18	2.11	9/-.07	1,377	673	448	256	10/212.9
1952	2.20	2.09	9/-.11	1,555	693	300	562	11/459.9
1953	2.21	2.04	9/-.17	1,731	614	215	902	12/557.2
1954	2.24	2.12	9/-.12	1,887	592	273	1,022	13/430.7
1955 14/	2.08	1.98	9/-.10	1,960	603	327	1,030	15/319.4
1956 14/	2.00			1,953	(609)	(319)	(1,025)	

Year beginning July	Delivery to CCC 16/	CCC stocks and loans outstanding at year-end (June 30): Stocks owned by CCC 17/	Under loan: Crop previous July 18/	Under loan: Crops of earlier years	Total
	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels
1938	15.7	6.6	21.5	---	28.1
1939	7.7	1.6	10.3	---	11.9
1940	173.7	169.2	31.4	7.2	207.8
1941	269.8	319.7	98.1	1.4	419.2
1942	184.0	259.8	133.3	4.9	398.0
1943	0.3	99.1	15.5	2.5	117.1
1944	72.9	103.7	20.1	1.9	125.7
1945	.2	---	32.5	---	32.5
1946	---	---	0.7	---	0.7
1947	---	---	.8	---	.8
1948	290.9	227.2	16.3	---	243.5
1949	247.5	327.7	28.5	5.0	361.2
1950	41.9	196.4	8.9	2.3	207.6
1951	91.3	143.3	11.6	---	154.9
1952	397.7	470.0	22.5	---	492.5
1953	486.1	774.6	71.4	3.9	849.9
1954	386.7	975.9	18/11.3	2.8	990.0
1955 14/	19/279.0		19/ 4.0		

1/ United States marketing year prices are the result of (1) weighting State monthly prices by monthly sales to obtain State marketing-year averages, and (2) weighting the State marketing-year averages by total sales for each State. Includes an allowance for unredeemed loans at average loan values beginning 1938. 2/ Beginning carryover plus production. 3/ Total supply minus net exports minus year-end carryover. 4/ Includes shipments to United States Territories of about 4 million bushels annually. 5/ Exports totaled 45 million bushels and imports used to supplement domestic animal feed supplies totaled 136 million bushels. 6/ Includes 112.0 million bushels of 1948-crop wheat put under purchase agreements. 7/ Includes 45.5 million bushels of 1949-crop wheat put under purchase agreements. 8/ Includes 8.6 million bushels of 1950-crop wheat put under purchase agreements. 9/ Growers assumed storage charges which averaged 7 to 10 cents per bushel, depending on the time it was put under loan. 10/ Includes 13.4 million bushels of 1951-crop wheat put under purchase agreements. 11/ Includes 61.3 million bushels of 1952-crop wheat put under purchase agreements. 12/ Includes 63.2 million bushels of 1953-crop wheat put under purchase agreements. 13/ Includes 29.5 million bushels of 1954-crop wheat put under purchase agreements. 14/ Preliminary. 15/ Includes 43.6 million bushels of 1955-crop wheat put under purchase agreements. 16/ Includes purchase-agreement wheat to CCC. 17/ Includes open-market purchases, if any, beginning in 1943, and accordingly may include some new-crop wheat. 18/ For example, 11.3 million bushels is 1954-crop wheat under loan on June 30, 1955. 2.8 million bushels was under loan from earlier crops. Any 1955 crop is not included. 19/ Preliminary estimate.

Table 10.- Wheat: Weighted average cash price, specified markets and dates, 1955-56

Month and date	All classes and grades six markets		No. 2 Dark Hard and Hard Winter Kansas City		No. 1 Dark N. Spring Minneapolis		No. 2 Hard Amber Durum Minneapolis		No. 2 Red Winter St. Louis		No. 1 Soft White Portland 1/	
	1955	1956	1955	1956	1955	1956	1955	1956	1955	1956	1955	1956
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
Month												
April	2.59	2.44	2.46	2.33	2.67	2.48	---	2.67	2.20	2.33	2.40	2.23
May	2.67	2.44	2.53	2.24	2.74	2.48	---	2.70	2/2.28	2.18	2.40	2.22
Week ended												
April 20	2.62	2.42	2.49	2.32	2.75	2.45	---	2.66	2.20	3/2.35	2.39	2.23
27	2.62	2.42	2.46	2.28	2.71	2.48	---	2.70	---	3/2.29	2.38	2.23
May 4	2.62	2.43	2.50	2.26	2.69	2.47	---	2.69	---	3/2.18	2.39	2.23
11	2.68	2.44	2.54	2.27	2.74	2.47	---	2.70	---	2.25	2.39	2.23
18	2.67	2.45	2.49	2.30	2.76	2.48	---	2.69	2.28	---	2.40	2.22
25	2.69	2.44	2.59	2.20	2.77	2.50	---	2.71	---	2/2.16	2.43	2.22
June 1	2.63	2.43	2.54	2.13	2.68	2.48	---	2.70	---	2.11	2.46	2.19
8	2.64	2.48	2.41	2.19	2.71	2.46	2/3.80	2.71	---	---	2.46	2.18
15	2.62	2.35	2.29	3/2.09	2.77	2.46	---	2.60	---	---	2.47	2.15

1/ Average of daily cash quotations. 2/ Only 1 car. 3/ Only 2 cars.

Table 11.- Wheat: Average closing prices of July futures, specified markets and dates, 1955-56

Period	Chicago		Kansas City		Minneapolis	
	1955	1956	1955	1956	1955	1956
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
Month						
April	1.95	2.12	2.03	2.10	2.29	2.31
May	2.00	2.06	2.13	2.06	2.32	2.27
Week ended						
April 20	1.96	2.10	2.04	2.08	2.29	2.30
27	1.96	2.13	2.05	2.09	2.27	2.30
May 4	1.99	2.10	2.10	2.09	2.31	2.29
11	2.02	2.06	2.14	2.06	2.33	2.29
18	1.99	2.08	2.12	2.07	2.34	2.29
25	2.02	2.05	2.14	2.05	2.33	2.26
June 1	1.99	2.03	2.11	2.02	2.32	2.22
8	1.98	2.07	2.11	2.05	2.34	2.26
15	2.00	2.08	2.13	2.06	2.35	2.25

Table 12.- Wheat: Production and farm disposition, United States, 1940-55 1/

Crop year	Production	Used for feed: Total	Used for feed: Home grown 2/	Fed to livestock 2/	Ground at mills for home use or exchanged for flour	Sold or for sale
	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.
1940	814,646	74,351	62,047	98,972	10,348	643,279
1941	941,970	62,490	54,004	98,871	9,020	780,075
1942	969,381	65,487	55,040	91,315	7,259	815,767
1943	843,813	77,351	61,571	89,821	5,690	686,731
1944	1,060,111	80,463	63,934	104,011	5,409	886,757
1945	1,107,623	82,006	63,980	98,876	4,470	940,297
1946	1,152,118	86,823	69,039	88,406	3,861	990,812
1947	1,358,911	91,094	72,244	94,766	4,023	1,187,878
1948	1,294,911	95,015	73,046	98,020	3,475	1,120,370
1949	1,098,415	80,815	60,728	84,877	2,911	949,899
1950	1,019,389	87,427	65,267	74,181	2,851	877,090
1951	980,810	87,252	65,603	67,161	2,647	845,399
1952	1,298,957	88,258	68,414	66,121	2,593	1,161,829
1953	1,169,484	68,713	53,034	68,664	2,460	1,045,326
1954	984,846	64,899	48,311	54,357	2,246	879,932
1955 3/	938,159	66,295	48,026	46,396	2,018	841,719

1/ Data for 1909-28 in The Wheat Situation for May 1941, page 16; for 1929-39 in The Wheat Situation, May-June 1949, page 26.
2/ Relates to quantities used by producers on their own farms; additional quantities are also utilized.
3/ Preliminary.

Table 13.- Wheat: Prices per bushel in three exporting countries, Friday, mid-month January-June 1956, weekly April-June 1956

Date (Friday)	Hard spring wheat: United States, No. 1 Dark Northern Spring 13 percent protein at Duluth 1/	Hard spring wheat: Canada, No. 2 Manitoba at Fort William 2/ 3/	Hard winter wheat, United States, No. 1 at Galveston 4/	Soft wheat: United States No. 1 Soft White at Portland 1/	Soft wheat: Australia 3/ 4/
	Dollars	Dollars	Dollars	Dollars	Dollars
Friday mid-month:					
January 13	2.38	1.68	2.36	2.19	5/1.49
February 17	2.38	1.69	2.42	2.20	5/1.49
March 16	2.34	1.72	2.46	2.23	5/1.49
April 13	2.40	1.72	2.50	2.23	5/1.49
May 18	2.38	1.73	2.48	2.22	---
June 15	2.34	1.75	2.31	2.14	---
Weekly					
April 20	2.42	1.72	2.55	2.23	---
27	2.40	1.73	2.50	2.23	---
May 4	2.40	1.73	2.43	2.23	---
11	2.36	1.73	2.51	2.23	---
25	2.32	1.74	2.34	2.19	---
June 1	2.31	1.73	2.32	2.18	---
8	2.35	1.74	2.36	2.18	---

1/ Spot or to arrive. 2/ Fort William quotation is in store. 3/ Sales to non-contract countries. Converted to United States currency. 4/ F.o.b. ship. 5/ The last report received quoted the "asking price" as remaining the same since last November through April.

Table 14.- Wheat: Acreage allotments, by States, 1954-57

State	1954	1955	1956	1957
	Acres	Acres	Acres	Acres
Alabama	17,486	13,208	1/14,505	1/22,107
Arizona	22,613	18,612	1/17,533	1/19,806
Arkansas	56,514	50,528	52,756	53,479
California	562,365	477,950	455,719	436,142
Colorado	2,899,062	2,677,216	2,702,258	2,766,025
Connecticut	909	743	1/ 626	1/ 601
Delaware	50,514	42,895	36,370	33,601
Florida	816	547	1/1,329	1/1,802
Georgia	124,071	105,610	105,881	103,143
Idaho	1,277,401	1,159,664	1,159,816	1,156,480
Illinois	1,541,191	1,375,942	1,384,461	1,414,575
Indiana	1,324,318	1,154,049	1,166,484	1,144,137
Iowa	209,814	138,057	139,443	115,485
Kansas	11,874,832	10,496,070	10,587,206	10,615,188
Kentucky	222,435	206,057	219,495	213,891
Louisiana	3,866	2,478	1/3,184	1/3,671
Maine	1,733	1,533	1/1,347	1/1,528
Maryland	238,768	203,953	187,546	178,898
Massachusetts	883	747	1/ 687	1/ 683
Michigan	1,093,618	1,004,750	969,478	957,020
Minnesota	949,255	794,059	726,503	699,354
Mississippi	27,791	19,484	1/21,143	1/20,049
Missouri	1,311,848	1,141,147	1,164,200	1,253,735
Montana	4,632,152	4,029,466	4,002,138	4,042,623
Nebraska	3,662,384	3,207,330	3,200,332	3,234,827
Nevada	15,953	13,481	1/11,616	1/12,029
New Hampshire	108	89	1/ 71	1/ 67
New Jersey	63,798	57,252	55,147	53,859
New Mexico	502,740	447,354	465,924	470,705
New York	343,950	322,191	312,175	317,602
North Carolina	320,387	286,493	283,427	284,254
North Dakota	8,254,412	7,349,025	7,321,263	7,327,856
Ohio	1,758,376	1,599,297	1,594,233	1,558,108
Oklahoma	5,245,769	4,791,926	4,861,996	4,878,623
Oregon	898,563	807,897	819,522	819,060
Pennsylvania	723,064	639,642	620,185	600,754
Rhode Island	714	648	1/ 603	1/ 562
South Carolina	157,178	136,763	133,704	136,151
South Dakota	3,164,666	2,776,584	2,749,275	2,746,578
Tennessee	212,615	201,261	199,430	198,701
Texas	4,817,377	4,207,578	4,227,785	4,149,071
Utah	359,969	317,363	314,994	314,303
Vermont	428	342	1/ 432	1/ 480
Virginia	318,700	277,953	261,043	252,514
Washington	2,264,914	2,030,298	2,009,033	1,994,450
West Virginia	56,462	42,936	42,956	40,030
Wisconsin	73,485	55,213	45,147	40,215
Wyoming	338,590	291,219	303,725	298,678
Reserve	1,143	25,100	45,874	2/16,500
Total	62,000,000	55,000,000	55,000,000	55,000,000

1/ Designated as "noncommercial wheat areas" for 1956 and 1957, those States having wheat allotments of 25,000 acres or less. Farm wheat allotments and marketing quotas, if approved for 1957, do not apply in these noncommercial areas. 2/ Any additional allotment to be apportioned to specific counties out of the national reserve is not included in the State allotment.

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